

IMPORTANT NOTICE TO NEW CARLISLE INDIVIDUAL AND BUSINESS TAXPAYERS

The State of Ohio has made major changes to the municipal income tax laws (via the Ohio Revised Code) effective for tax years beginning on January 1, 2016. ***These changes may impact you and/or your business. All businesses should share this information with their tax department or accounting firm.***

For tax year 2015 (due by April 18, 2016) the Ordinances and Rules and Regulations in place prior to January 1, 2016 will apply to your 2015 (and prior) tax returns. Extension to file requests will be accepted if received in our offices (or postmarked) by April 18, 2016, or by the appropriate deadline for businesses using a fiscal period. ***New Carlisle is a mandatory filing city requiring returns from all residents and businesses even if you had no city taxable income.***

For tax year 2015, to avoid an underpayment of estimated tax penalty, either 80% of your 2015 New Carlisle tax liability must be paid via estimated payments, withholding credits or prior year credits by January 15, 2016. Penalty is 1.5% per month that the estimated payment was not made.

Late or non-payment penalty for tax year 2015 remains at 1.5% per month (or part thereof) of the tax due. Interest remains the same at .5% per month (or part thereof) compounded.

CHANGES EFFECTIVE FOR TAX YEAR 2016 (return due April 17, 2017):

Estimated tax payments must be made using the following schedule to avoid an underpayment of estimated taxes penalty:

- 22.5% by April 15, 2016 (or the 15th of the 4th month after your fiscal period end)
- 45% by June 15, 2016 (or the 15th of the 6th month after your fiscal period end)
- 67.5% by September 15, 2016 (or the 15th of the 9th month after your fiscal period end)
- 90% by December 15, 2016 (or the 15th of the 12th month after your fiscal period end)

Failure to have 90% of your New Carlisle tax liability paid via withholding credits and/or estimated payments will result in a penalty of **15% of the amount not timely paid. This penalty applies to each quarter not timely paid.**

For businesses effective with tax year 2016, withholding payments are now due on the 15th of the month following the end of the withholding period. **This is effective with 1st period 2016 withholding filings/payments.**

Late or non-filing penalty for tax year 2016 and beyond is \$25.00 per month (or part thereof) up to a maximum of \$150.00.

Non-payment penalty for tax year 2016 and beyond is a one-time 15% of the tax liability not timely paid.

Interest for tax year 2016 and beyond is changing to an annualized rate based on the Federal Reserve short-term rate for the prior year plus 5%.

The New Carlisle Ordinances and Rules and Regulations effective January 1, 2016 will be posted on our website at www.newcarlisle.net. Businesses or their accounting firms are encouraged to begin reviewing ORC 718 for more information on the new municipal income tax laws by visiting <http://codes.ohio.gov/orc/>.

If you have additional questions please call us at 937-845-9492
Monday through Friday, 8:00 am to 5:00 pm